

1-1 By: Ellis S.B. No. 1814
1-2 (In the Senate - Filed March 23, 2005; March 30, 2005, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; May 2, 2005, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 2, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1814 By: Gallegos

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the creation of the Southampton Neighborhood Services
1-11 District; providing authority to impose an assessment, impose a
1-12 tax, and issue bonds or similar obligations.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-15 Code, is amended by adding Chapter 3839 to read as follows:

1-16 CHAPTER 3839. SOUTHAMPTON NEIGHBORHOOD SERVICES DISTRICT

1-17 SUBCHAPTER A. GENERAL PROVISIONS

1-18 Sec. 3839.001. DEFINITIONS. In this chapter:

1-19 (1) "Board" means the board of directors of the
1-20 district.

1-21 (2) "District" means the Southampton Neighborhood
1-22 Services District.

1-23 Sec. 3839.002. SOUTHAMPTON NEIGHBORHOOD SERVICES DISTRICT.
1-24 The Southampton Neighborhood Services District is a special
1-25 district created under Section 59, Article XVI, Texas Constitution.

1-26 Sec. 3839.003. PURPOSE; DECLARATION OF INTENT. (a) The
1-27 creation of the district is essential to accomplish the purposes of
1-28 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-29 Texas Constitution, and other public purposes stated in this
1-30 chapter. By creating the district and in authorizing the City of
1-31 Houston, Harris County, and other political subdivisions to
1-32 contract with the district, the legislature has established a
1-33 program to accomplish the public purposes set out in Section 52-a,
1-34 Article III, Texas Constitution.

1-35 (b) The creation of the district is necessary to provide
1-36 enhanced and supplemental services to maintain and improve the
1-37 common alleyways in the district and to promote and maintain the
1-38 Southampton Neighborhood of Houston as a safe, clean, aesthetically
1-39 pleasing, and deed-restricted residential neighborhood with
1-40 sustainable high property values.

1-41 (c) This chapter and the creation of the district may not be
1-42 interpreted to relieve Harris County or the City of Houston from
1-43 providing the level of services provided as of the effective date of
1-44 the Act enacting this chapter to the area in the district. The
1-45 district is created to supplement and not to supplant the county or
1-46 city services provided in the area in the district.

1-47 Sec. 3839.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-48 (a) The district is created to serve a public use and benefit.

1-49 (b) All land and other property included in the district
1-50 will benefit from the improvements and services to be provided by
1-51 the district under powers conferred by Sections 52 and 52-a,
1-52 Article III, and Section 59, Article XVI, Texas Constitution, and
1-53 other powers granted under this chapter.

1-54 (c) The district will:

1-55 (1) promote the health, safety, and general welfare of
1-56 district residents and of the public;

1-57 (2) provide enhanced and supplemental services to
1-58 preserve, maintain, and enhance the vitality of the district as a
1-59 deed-restricted residential neighborhood; and

1-60 (3) promote the health, safety, welfare, and enjoyment
1-61 of the public by maintaining and improving the common alleyways and
1-62 by landscaping and developing certain areas in the district, which
1-63 are necessary for the restoration, preservation, and enhancement of

2-1 scenic beauty.

2-2 (d) Pedestrian ways along or across a street or alley,
 2-3 street or alley lighting, street landscaping, and pavement
 2-4 associated with access ways connecting to, and drainage facilities
 2-5 related to the common alleyways are parts of and necessary
 2-6 components of a street or alley and are considered to be a street or
 2-7 road improvement.

2-8 (e) The district will not act as the agent or
 2-9 instrumentality of any private interest even though the district
 2-10 will benefit many private interests as well as the public.

2-11 Sec. 3839.005. DISTRICT TERRITORY. (a) The district is
 2-12 composed of the territory described by Section 3 of the Act enacting
 2-13 this chapter, as that territory may have been modified under:

- 2-14 (1) Subchapter J, Chapter 49, Water Code; or
- 2-15 (2) other law.

2-16 (b) The boundaries and field notes of the district contained
 2-17 in Section 3 of the Act enacting this chapter form a closure. A
 2-18 mistake in the field notes or in copying the field notes in the
 2-19 legislative process does not in any way affect the district's:

- 2-20 (1) organization, existence, or validity;
- 2-21 (2) right to issue any type of bond for a purpose for
 2-22 which the district is created or to pay the principal of and
 2-23 interest on the bond;
- 2-24 (3) right to impose or collect an assessment or tax; or
- 2-25 (4) legality or operation.

2-26 Sec. 3839.006. APPLICABILITY OF MUNICIPAL MANAGEMENT
 2-27 DISTRICTS LAW. Except as otherwise provided by this chapter,
 2-28 Chapter 375, Local Government Code, applies to the district.

2-29 Sec. 3839.007. LIBERAL CONSTRUCTION OF CHAPTER. This
 2-30 chapter shall be liberally construed in conformity with the
 2-31 findings and purposes stated in this chapter.

2-32 [Sections 3839.008-3839.050 reserved for expansion]

2-33 SUBCHAPTER B. BOARD OF DIRECTORS

2-34 Sec. 3839.051. BOARD OF DIRECTORS; TERMS. (a) The
 2-35 district is governed by a board of 18 voting directors who serve
 2-36 staggered terms of two years, with nine directors' terms expiring
 2-37 December 31 of each year.

2-38 (b) The board by resolution may change the number of voting
 2-39 directors on the board, but only if the board determines that the
 2-40 change is in the best interest of the district. The board may not
 2-41 consist of fewer than 11 or more than 21 directors.

2-42 Sec. 3839.052. APPOINTMENT OF DIRECTORS. The mayor and
 2-43 members of the governing body of the City of Houston shall appoint
 2-44 directors from persons recommended by the board. A person is
 2-45 appointed if a majority of the members of the governing body,
 2-46 including the mayor, vote to appoint that person.

2-47 Sec. 3839.053. NONVOTING DIRECTORS. (a) The following
 2-48 persons serve as nonvoting directors:

- 2-49 (1) the directors of the following departments of the
 2-50 City of Houston or a person designated by that director:
 - 2-51 (A) parks and recreation;
 - 2-52 (B) planning and development; and
 - 2-53 (C) public works;
- 2-54 (2) the City of Houston's chief of police; and
- 2-55 (3) each City of Houston council member whose council
 2-56 district is wholly or partly in the district.

2-57 (b) If a department described by Subsection (a) is
 2-58 consolidated, renamed, or changed, the board may appoint a director
 2-59 of the consolidated, renamed, or changed department as a nonvoting
 2-60 director. If a department described by Subsection (a) is
 2-61 abolished, the board may appoint a representative of another
 2-62 department that performs duties comparable to those performed by
 2-63 the abolished department.

2-64 Sec. 3839.054. QUORUM. For purposes of determining the
 2-65 requirements for a quorum of the board, the following are not
 2-66 counted:

- 2-67 (1) a board position vacant for any reason, including
 2-68 death, resignation, or disqualification;
- 2-69 (2) a director who is abstaining from participation in

3-1 a vote because of a conflict of interest; or
 3-2 (3) a nonvoting director.

3-3 Sec. 3839.055. INITIAL VOTING DIRECTORS. (a) The initial
 3-4 board consists of the following voting directors:

	<u>Pos. No.</u>	<u>Name of Director</u>
3-5	<u>1</u>	<u>Anne Clutterbuck</u>
3-6	<u>2</u>	<u>Les Randall</u>
3-7	<u>3</u>	<u>Hugh Rice Kelly</u>
3-8	<u>4</u>	<u>Sarah Darneille</u>
3-9	<u>5</u>	<u>Larry Foust</u>
3-10	<u>6</u>	<u>Patrick Pacheco</u>
3-11	<u>7</u>	<u>Janet Peters</u>
3-12	<u>8</u>	<u>Ed Shoemake</u>
3-13	<u>9</u>	<u>Peggy Vineyard</u>
3-14	<u>10</u>	<u>Ed Kagi</u>
3-15	<u>11</u>	<u>Chip Gill</u>
3-16	<u>12</u>	<u>Licia Ellis</u>
3-17	<u>13</u>	<u>Amy Anton</u>
3-18	<u>14</u>	<u>Erik Eriksson</u>
3-19	<u>15</u>	<u>Karen Gonsoulin</u>
3-20	<u>16</u>	<u>Louisa Hernandez</u>
3-21	<u>17</u>	<u>Chris Knapp</u>
3-22	<u>18</u>	<u>Will Luedke</u>

3-23
 3-24 (b) Of the initial voting directors, the terms of directors
 3-25 appointed for positions 1 through 9 expire December 31, 2006, and
 3-26 the terms of directors appointed for positions 10 through 18 expire
 3-27 December 31, 2005.

3-28 (c) Section 3839.052 does not apply to this section.

3-29 (d) This section expires September 1, 2007.

3-30 [Sections 3839.056-3839.100 reserved for expansion]

3-31 SUBCHAPTER C. POWERS AND DUTIES

3-32 Sec. 3839.101. NONPROFIT CORPORATION. (a) The board by
 3-33 resolution may authorize the creation of a nonprofit corporation to
 3-34 assist and act for the district in implementing a project or
 3-35 providing a service authorized by this chapter.

3-36 (b) The nonprofit corporation:

3-37 (1) has each power of and is considered for purposes of
 3-38 this chapter to be a local government corporation created under
 3-39 Chapter 431, Transportation Code; and

3-40 (2) may implement any project and provide any service
 3-41 authorized by this chapter.

3-42 (c) The board shall appoint the board of directors of the
 3-43 nonprofit corporation. The board of directors of the nonprofit
 3-44 corporation shall serve in the same manner as the board of directors
 3-45 of a local government corporation created under Chapter 431,
 3-46 Transportation Code.

3-47 Sec. 3839.102. AGREEMENTS; GRANTS. (a) The district may
 3-48 make an agreement with or accept a gift, grant, or loan from any
 3-49 person.

3-50 (b) The implementation of a project is a governmental
 3-51 function or service for the purposes of Chapter 791, Government
 3-52 Code.

3-53 Sec. 3839.103. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.
 3-54 To protect the public interest, the district may contract with a
 3-55 qualified party, including Harris County, the City of Houston, or a
 3-56 nonprofit corporation, to provide supplemental law enforcement
 3-57 services in the district for a fee.

3-58 Sec. 3839.104. APPROVAL BY CITY OF HOUSTON. (a) Except as
 3-59 provided by Subsection (b), the district must obtain the approval
 3-60 of the City of Houston's governing body for:

3-61 (1) the issuance of a bond for each improvement
 3-62 project;

3-63 (2) the plans and specifications of the improvement
 3-64 project financed by the bond; and

3-65 (3) the plans and specifications of any district
 3-66 improvement project related to the use of land owned by the City of
 3-67 Houston, an easement granted by the City of Houston, or a
 3-68 right-of-way of a street, road, or highway.

3-69 (b) The approval obtained for the issuance of bonds under

4-1 Subsection (a) must be a resolution by the City of Houston. The
4-2 approval obtained for plans and specifications must be a permit
4-3 issued by the City of Houston.

4-4 (c) If the district obtains the approval of the City of
4-5 Houston's governing body of a capital improvements budget for a
4-6 period not to exceed five years, the district may finance the
4-7 capital improvements and issue bonds specified in the budget
4-8 without further approval from the City of Houston.

4-9 Sec. 3839.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
4-10 district may join and pay dues to an organization that:

4-11 (1) enjoys tax-exempt status under Section 501(c)(3),
4-12 (4), or (6), Internal Revenue Code of 1986; and

4-13 (2) performs a service or provides an activity
4-14 consistent with the furtherance of a district purpose.

4-15 Sec. 3839.106. CERTIFICATION OF PROPERTY OWNERS'
4-16 ASSOCIATION. (a) If the board finds that it will benefit district
4-17 property and it is consistent with the district's purposes, the
4-18 board by resolution may certify a nonprofit corporation whose
4-19 members are the property owners of the district as a property
4-20 owners' association under Chapter 204, Property Code.

4-21 (b) A nonprofit corporation certified by the board under
4-22 this section is a property owners' association under Chapter 204,
4-23 Property Code, and has the powers and duties of an association under
4-24 that chapter. Certification under this section satisfies all
4-25 procedural requirements regarding the creation of a property
4-26 owners' association under that chapter, including the requirements
4-27 of Section 204.006, Property Code.

4-28 (c) Not later than the 30th day after the date of the board's
4-29 resolution, the board shall file a notice of the certification in
4-30 the real property records of Harris County. The notice must state
4-31 that the nonprofit corporation is a property owners' association
4-32 under Chapter 204, Property Code.

4-33 (d) The certification is permanent and may not be revoked.

4-34 Sec. 3839.107. NO EMINENT DOMAIN. The district may not
4-35 exercise the power of eminent domain.

4-36 Sec. 3839.108. NOTICE OF LAW ESTABLISHING DISTRICT.

4-37 (a) The district by mail shall provide notification of the
4-38 creation of the district to each person who owns real property in
4-39 the district, according to the most recent certified tax appraisal
4-40 roll for the county in which the real property is owned. The
4-41 notice, properly addressed with postage paid, must be deposited
4-42 with the United States Postal Service not later than the 90th day
4-43 after the effective date of the Act enacting this chapter.

4-44 (b) The notice is sufficient if it contains a statement of
4-45 the general purpose and substance of this chapter. Notice of the
4-46 particular form of this chapter or the terms used in this chapter is
4-47 not required.

4-48 (c) This section expires September 1, 2007.

4-49 [Sections 3839.109-3839.150 reserved for expansion]

4-50 SUBCHAPTER D. FINANCIAL PROVISIONS

4-51 Sec. 3839.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
4-52 board by resolution shall establish the number of directors'
4-53 signatures and the procedure required for a disbursement or
4-54 transfer of the district's money.

4-55 Sec. 3839.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
4-56 The district may acquire, construct, finance, operate, or maintain
4-57 any improvement or service authorized under this chapter or Chapter
4-58 375, Local Government Code, using any money available to the
4-59 district.

4-60 Sec. 3839.153. INITIAL SERVICE AND ASSESSMENT PLAN.

4-61 (a) The district's initial service and assessment plan must
4-62 provide that:

4-63 (1) any assessment imposed must be paid in five years
4-64 or less;

4-65 (2) the rate of assessment for the first year of the
4-66 plan may not exceed \$510 per residential household per year;

4-67 (3) the rate of assessment may only be increased in a
4-68 later year of the plan:

4-69 (A) to account for increased costs of services;

5-1 and
5-2 (B) by a rate that does not exceed 10 percent of
5-3 the previous year's assessment; and
5-4 (4) assessment revenue may only be used to pay for:
5-5 (A) garbage collection;
5-6 (B) supplemental security and public safety;
5-7 (C) landscaping and beautification projects;
5-8 (D) study, design, and construction of alleyway
5-9 repairs, improvements, and reconstruction;
5-10 (E) formulation and adoption of neighborhood
5-11 deed restrictions; and
5-12 (F) other operation and administration costs of
5-13 the district.
5-14 (b) This section does not apply to a district service and
5-15 assessment plan developed after the initial service and assessment
5-16 plan.
5-17 (c) This section expires September 1, 2012.
5-18 Sec. 3839.154. PETITION REQUIRED FOR FINANCING SERVICES AND
5-19 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-20 service or improvement project with assessments under this chapter
5-21 unless a written petition requesting that service or improvement
5-22 has been filed with the board.
5-23 (b) The petition must be signed by the owners of a majority
5-24 of the residences in the district subject to assessment according
5-25 to the most recent certified tax appraisal roll for Harris County.
5-26 Sec. 3839.155. METHOD OF NOTICE FOR HEARING. The district
5-27 may give the notice required by Section 375.115(c), Local
5-28 Government Code, by personal delivery or certified United States
5-29 mail or an equivalent service that can provide a record of mailing
5-30 or delivery.
5-31 Sec. 3839.156. ASSESSMENTS; LIENS FOR ASSESSMENTS.
5-32 (a) The board by resolution may impose and collect an assessment
5-33 in all or part of the district for any purpose authorized by this
5-34 chapter.
5-35 (b) An assessment, a reassessment, or an assessment
5-36 resulting from an addition to or correction of the assessment roll
5-37 by the district, penalties and interest on an assessment or
5-38 reassessment, an expense of collection, and reasonable attorney's
5-39 fees incurred by the district:
5-40 (1) are a first and prior lien against the property
5-41 assessed;
5-42 (2) are superior to any other lien or claim other than
5-43 a lien or claim for county, school district, or municipal ad valorem
5-44 taxes; and
5-45 (3) are the personal liability of and a charge against
5-46 the owners of the property even if the owners are not named in the
5-47 assessment proceedings.
5-48 (c) The lien is effective from the date of the board's
5-49 resolution imposing the assessment until the date the assessment is
5-50 paid. The board may enforce the lien in the same manner that the
5-51 board may enforce an ad valorem tax lien against real property,
5-52 except that the board may not foreclose on a residential homestead.
5-53 (d) The board may make a correction to or deletion from the
5-54 assessment roll that does not increase the amount of assessment of
5-55 any parcel of land without providing notice and holding a hearing in
5-56 the manner required for additional assessments.
5-57 (e) Section 375.161, Local Government Code, does not apply
5-58 to the district.
5-59 Sec. 3839.157. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
5-60 ASSESSMENTS. The district may not impose an impact fee or
5-61 assessment on the property, including the equipment,
5-62 rights-of-way, facilities, or improvements, of:
5-63 (1) an electric utility or a power generation company
5-64 as defined by Section 31.002, Utilities Code;
5-65 (2) a gas utility as defined by Section 101.003 or
5-66 121.001, Utilities Code;
5-67 (3) a telecommunications provider as defined by
5-68 Section 51.002, Utilities Code; or
5-69 (4) a person who provides to the public cable

6-1 television or advanced telecommunications services.

6-2 Sec. 3839.158. CERTAIN RESIDENTIAL PROPERTY EXEMPT FROM
6-3 IMPACT FEES AND ASSESSMENTS. (a) An individual is entitled to an
6-4 exemption from an impact fee or assessment if:

6-5 (1) the individual is 65 years of age or older or is
6-6 disabled as defined by Section 11.13(m), Tax Code; and

6-7 (2) the assessment will be imposed against property
6-8 that the individual owns and occupies as a residence homestead.

6-9 (b) To obtain the exemption, the individual must file with
6-10 the board an affidavit stating the facts required by Subsection
6-11 (a).

6-12 Sec. 3839.159. BONDS AND OTHER OBLIGATIONS. (a) The
6-13 district may issue bonds or other obligations, by competitive bid
6-14 or negotiated sale, payable wholly or partly from ad valorem taxes,
6-15 assessments, impact fees, revenue, grants, or other money of the
6-16 district, or any combination of those sources of money, to pay for
6-17 any authorized purpose of the district, except as provided by
6-18 Subsection (b).

6-19 (b) If the bonds are payable from ad valorem taxes, the
6-20 bonds may only be used to pay for the design, construction,
6-21 acquisition, improvement, maintenance, repair, reconstruction, and
6-22 operation of streets, roads, and alleys, or improvements in and of
6-23 those streets, roads, and alleys.

6-24 (c) The district may issue a bond or other obligation in the
6-25 form of a bond, note, certificate of participation or other
6-26 instrument evidencing a proportionate interest in payments to be
6-27 made by the district, or other type of obligation.

6-28 Sec. 3839.160. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
6-29 the time bonds or other obligations payable wholly or partly from ad
6-30 valorem taxes are issued:

6-31 (1) the board shall impose a continuing direct annual
6-32 ad valorem tax, without limit as to rate or amount, for each year
6-33 that all or part of the bonds are outstanding; and

6-34 (2) the district annually shall impose the continuing
6-35 direct ad valorem tax on all taxable property in the district in an
6-36 amount sufficient to:

6-37 (A) pay the interest on the bonds or other
6-38 obligations as the interest becomes due;

6-39 (B) create a sinking fund for the payment of the
6-40 principal of the bonds or other obligations when due or the
6-41 redemption price at any earlier required redemption date; and

6-42 (C) pay the expenses of imposing the taxes.

6-43 Sec. 3839.161. BOND ELECTIONS. (a) The district shall
6-44 hold an election in the manner provided by Subchapter L, Chapter
6-45 375, Local Government Code, to obtain voter approval before the
6-46 district issues bonds payable from ad valorem taxes.

6-47 (b) The district may only issue bonds or other obligations
6-48 under Section 52(b)(3), Article III, Texas Constitution, if the
6-49 issuance is approved by a two-thirds majority of the voters in the
6-50 district voting at an election held for that purpose.

6-51 (c) Section 375.243, Local Government Code, does not apply
6-52 to the district.

6-53 Sec. 3839.162. CITY NOT REQUIRED TO PAY DISTRICT
6-54 OBLIGATIONS. Except as provided by Section 375.263, Local
6-55 Government Code, the City of Houston is not required to pay a bond,
6-56 note, or other obligation of the district.

6-57 Sec. 3839.163. COMPETITIVE BIDDING. Section 375.221, Local
6-58 Government Code, applies to the district only for a contract that
6-59 has a value greater than \$25,000.

6-60 [Sections 3839.164-3839.200 reserved for expansion]

6-61 SUBCHAPTER E. DISSOLUTION

6-62 Sec. 3839.201. DISSOLUTION BY PETITION BY OWNERS. The
6-63 board shall dissolve the district on written petition filed with
6-64 the board by the owners of 75 percent or more of the residential
6-65 households in the district according to the most recent certified
6-66 tax appraisal roll for Harris County.

6-67 Sec. 3839.202. DISSOLUTION OF DISTRICT WITH OUTSTANDING
6-68 DEBT BY BOARD. The board may dissolve the district regardless of
6-69 whether the district has debt. Section 375.264, Local Government

7-1 Code, does not apply to the district.

7-2 Sec. 3839.203. DEBTS. If the district has debt when it is
7-3 dissolved under this subchapter, the district shall remain in
7-4 existence solely for the purpose of discharging its debts. The
7-5 dissolution is effective when all debts have been discharged.

7-6 SECTION 2. The Southampton Neighborhood Services District
7-7 may reimburse the cost of creating the district from district
7-8 assessments collected under Section 3839.153, Special District
7-9 Local Laws Code, as added by this Act.

7-10 SECTION 3. As of the effective date of this Act, the
7-11 Southampton Neighborhood Services District includes all territory
7-12 contained in the following described area: from the intersection
7-13 of the centerline of the right of way of Bissonnet Street and the
7-14 centerline of the right of way of Greenbriar Drive, south to the
7-15 intersection of the centerline of the right of way of Greenbriar
7-16 Drive and the centerline of the right of way of Rice Boulevard, east
7-17 to the intersection of the centerline of the right of way of Rice
7-18 Boulevard and the centerline of the right of way of Ashby Street,
7-19 north to the intersection of the centerline of the right of way of
7-20 Ashby Street and the centerline of the right of way of Bissonnet
7-21 Street, west to the intersection of the centerline of the right of
7-22 way of Bissonnet Street and the centerline of the right of way of
7-23 Greenbriar Drive, the point or place of beginning.

7-24 SECTION 4. The legislature finds that:

7-25 (1) proper and legal notice of the intention to
7-26 introduce this Act, setting forth the general substance of this
7-27 Act, has been published as provided by law, and the notice and a
7-28 copy of this Act have been furnished to all persons, agencies,
7-29 officials, or entities to which they are required to be furnished by
7-30 the constitution and laws of this state, including the governor,
7-31 who has submitted the notice and Act to the Texas Commission on
7-32 Environmental Quality;

7-33 (2) the Texas Commission on Environmental Quality has
7-34 filed its recommendations relating to this Act with the governor,
7-35 lieutenant governor, and speaker of the house of representatives
7-36 within the required time;

7-37 (3) the general law relating to consent by political
7-38 subdivisions to the creation of districts with conservation,
7-39 reclamation, and road powers and the inclusion of land in those
7-40 districts has been complied with; and

7-41 (4) all requirements of the constitution and laws of
7-42 this state and the rules and procedures of the legislature with
7-43 respect to the notice, introduction, and passage of this Act have
7-44 been fulfilled and accomplished.

7-45 SECTION 5. This Act takes effect immediately if it receives
7-46 a vote of two-thirds of all the members elected to each house, as
7-47 provided by Section 39, Article III, Texas Constitution. If this
7-48 Act does not receive the vote necessary for immediate effect, this
7-49 Act takes effect September 1, 2005.

7-50 * * * * *